

**ADMINISTRATIVE BY-LAW  
OF  
LAKE OF THE WOODS DISTRICT HOSPITAL**

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## TABLE OF CONTENTS

<b>ARTICLE 1. DEFINITIONS AND INTERPRETATION .....</b>	<b>1</b>
1.01 Definitions .....	1
1.02 Interpretation.....	5
1.03 Meeting Procedures .....	6
<b>ARTICLE 2. MEMBERSHIP IN THE CORPORATION .....</b>	<b>8</b>
2.01 Members .....	8
2.02 Termination or Discipline of Membership .....	8
<b>ARTICLE 3. ANNUAL AND SPECIAL MEETINGS OF THE MEMBERS OF CORPORATION ..</b>	<b>9</b>
3.01 Annual Meetings of the Members.....	9
3.02 Business at Annual Meetings .....	9
3.03 Adjourned Meeting .....	10
3.04 Special Meetings of the Members .....	10
3.05 Notice.....	11
3.06 Financial Year End.....	11
3.07 Omission of Notice .....	11
3.08 Voting .....	12
3.09 Quorum.....	12
3.10 Chair of the Meeting.....	12
3.11 Public Attendance .....	12
3.12 Written Resolutions.....	12
<b>ARTICLE 4. BOARD OF DIRECTORS.....</b>	<b>13</b>
4.01 Board Composition .....	13
4.02 Qualification of Directors .....	13
4.03 Term of Office Restrictions .....	14
4.04 Vacancy and Termination of Office .....	14
4.05 Conflict of Interest.....	15
4.06 Confidentiality .....	17
4.07 Responsibilities of the Board.....	17
4.08 Fiduciary Duty and Standard of Care of Individual Directors .....	17
4.09 No Remuneration.....	18
<b>ARTICLE 5. GUIDELINES FOR NOMINATIONS OF DIRECTORS .....</b>	<b>18</b>
5.01 Nominations to Board.....	18
<b>ARTICLE 6. OFFICERS OF THE BOARD .....</b>	<b>19</b>
6.01 Officers .....	19
6.02 Duties of Chair .....	19
6.03 Duties of Vice-Chair .....	20
6.04 Duties of Secretary/Treasurer .....	20
6.05 Duties of Chief Executive Officer .....	20
6.06 Duties of the Chief Nursing Executive .....	21
6.07 Protection of Directors and Officers .....	21
6.08 Indemnification and Insurance .....	21
<b>ARTICLE 7. REGULAR AND SPECIAL MEETINGS OF THE BOARD.....</b>	<b>22</b>
7.01 Regular Meetings.....	22
7.02 Special Meetings.....	22
7.03 Procedures for Board Meetings.....	23
7.04 Voting .....	23
7.05 Quorum.....	24

7.06	Written Resolutions.....	24
<b>ARTICLE 8.</b>	<b>COMMITTEES.....</b>	<b>24</b>
8.01	Board Committees .....	24
8.02	Other Board Committees .....	25
8.03	Committee Terms of Reference .....	25
8.04	Medical Advisory Committee .....	26
<b>ARTICLE 9.</b>	<b>FINANCIAL .....</b>	<b>26</b>
9.01	Bonding-Fidelity Insurance.....	26
9.02	Banking and Borrowing .....	26
9.03	Signing Officers .....	27
9.04	Seal .....	27
9.05	Investments .....	27
9.06	Endowment Benefits .....	27
9.07	Auditor .....	28
<b>ARTICLE 10.</b>	<b>PROGRAMS .....</b>	<b>28</b>
10.01	Occupational Health and Safety Program .....	28
10.02	Health Surveillance Program.....	29
<b>ARTICLE 11.</b>	<b>VOLUNTARY ASSOCIATIONS.....</b>	<b>29</b>
11.01	Authorization .....	29
11.02	Purpose .....	29
11.03	Control .....	29
11.04	Financial Statements.....	29
<b>ARTICLE 12.</b>	<b>ADOPTION AND AMENDMENT OF BY-LAWS .....</b>	<b>30</b>
12.01	Amendments to By-Laws .....	30

## **BY-LAWS OF LAKE OF THE WOODS DISTRICT HOSPITAL**

(hereinafter referred to as the "Corporation")

### **PREAMBLE**

**WHEREAS LAKE OF THE WOODS DISTRICT HOSPITAL** was incorporated by an Act of the Ontario Legislature of the Province of Ontario under Bill Pr 50 (1968), and subsequent amendment thereto, Bill Pr 26 (1974), and cited as Lake of the Woods District Hospital Act, 1968: amended April 19, 1990;

**AND WHEREAS** the Lake of the Woods District Hospital was issued Letters Patent of Continuation under the *Corporations Act* (Ontario) on January 15, 2010;

**AND WHEREAS** the objects of the Lake of the Woods District Hospital are:

- a) To establish, equip, staff, maintain, operate and conduct a health care facility, including without limitation, active treatment programs and services, complex continuing care, community health and wellness programs, emergency services, out-patient services, rehabilitation and therapeutic services;
- b) To equip, operate and maintain laboratories, diagnostic imaging services, therapeutic and rehabilitation facilities, pharmacies, dispensaries and/or any other services incidental to a hospital;
- c) To promote, undertake, conduct and carry on teaching, scientific research activities with educational institutions and research programmes into the causes, controls, cures, prevention, treatment and rehabilitation of any conditions, illness, sickness, injury or disease; and
- d) To provide such other health care services as are required by the communities served by the Corporation in partnership with affiliated corporations and other health service providers.

**AND WHEREAS** it is desirable to enact by-laws for regulating the affairs of the Hospital;

**NOW THEREFORE** be it enacted as follows:

### **ARTICLE 1.           DEFINITIONS AND INTERPRETATION**

#### **1.01   Definitions**

In this by-law, the following words and phrases shall have the following meanings, respectively:

- (a) "Act" means the *Corporations Act* (Ontario)<sup>1</sup>, and/or the *Not-for-Profit Corporations Act*, 2010 (Ontario) and, where the context requires, includes the regulations respectively made thereunder;
- (b) "Articles" means any document or instrument that incorporates a corporation or modifies its incorporating document or instrument, including articles of incorporation, restated articles of incorporation, articles of amendment<sup>2</sup>, articles of amalgamation, articles of arrangement, articles of continuance, articles of dissolution, articles of reorganization, articles of revival, Letters Patent, supplementary letters patent or a special Act<sup>3</sup>;
- (c) "Associates" means the parents, siblings, spouse or common law partner of a Director, and includes any organization, agency, company, or individual (such as a business partner) with a formal relationship to a Director;
- (d) "Board" means the Board of Directors of the Corporation;
- (e) "By-Law" means any By-Law of the Corporation from time to time in effect;
- (f) "Catchment Area" includes the area from the Manitoba/Ontario border to the west, to the Sioux Narrows/Nestor Falls area to the south, to all areas east to Vermillion Bay and to all areas north of Kenora not part of the Sioux Lookout Zone, including First Nations communities of Wabaseemoong, Grassy Narrows, Rat Portage, Whitefish Bay, Shoal Lake #39, #40, Northwest Angle #33, #37, the Dalles, Washagamis Bay;
- (g) "Chair" means the Director elected by the Board to serve as Chair of the Board and the Corporation;
- (h) "Chief Executive Officer" means, in addition to "administrator", as defined in section 1 of the *Public Hospitals Act*, the employee of the Hospital who is the President and Chief Executive Officer of the Corporation;
- (i) "Chief of Service" means the Physician, Dentist and Midwife appointed by the Board to be responsible for the professional standards and quality of care, diagnosis and treatment rendered by the members of that Service in the Corporation;
- (j) "Chief of Staff" means the member of the Medical Staff appointed by the Board of Directors to be responsible for the professional standards of the Professional Staff, and the quality of professional care rendered at the Hospital;
- (k) "College" means, as the case may be, the College of Physicians and Surgeons of Ontario, the Royal College of Dental Surgeons of Ontario, the College of Midwives of Ontario and/or the College of Nurses of Ontario;

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<sup>1</sup> Part III of the Corporations Act will be repealed on January, 2014.

<sup>2</sup> NFPCA 207(1).

<sup>3</sup> NFPCA s.1(1).

- (l) "Conflict of Interest" includes, without limitation, the following four areas that may give rise to a Conflict of Interest for the Directors of the Corporation, namely:
  - (i) Pecuniary or financial interest - a Director is said to have a pecuniary or financial interest in a decision when the Director (or the Director's Associates) stands to gain by that decision, either in the form of money, gifts, favours, gratuities, or other special considerations;
  - (ii) Undue influence - participation or influence in Board decisions that selectively and disproportionately benefit particular agencies, companies, organizations, municipal or professional groups, or patients from a particular demographic, geographic, political, socio-economic, or cultural group is a violation of the Director's entrusted responsibility to the community at large;
  - (iii) Adverse interest - A Director is said to have an adverse interest to the Corporation when the Director is a party to a claim, application or proceeding against the Corporation; or
  - (iv) Personal relationship – a Director has or may be perceived to have personal interests that are inconsistent with those of the Corporation, creating conflicting loyalties;
- (m) "Corporation" means the Lake of the Woods District Hospital with the Head Office located in Kenora, Ontario;
- (n) "Dentist" means a dental practitioner in good standing with the College of Dental Surgeons of Ontario;
- (o) "Director" means a member of the Board;
- (p) "Disruptive Behaviour" occurs when the use of inappropriate words, actions or inactions by a Professional Staff member interferes with his/her ability to function well with others to the extent that the behaviour interferes with, or is likely to interfere with, quality health care delivery *or patient or workplace safety* or staff recruitment or retention.<sup>4</sup> **[Note to Draft: The definition is appropriate. The Policy should be reviewed to ensure that if it is the CPSO based policy that it is amended to reflect Bill 168.]**
- (q) "Excluded Person" means:
  - (i) Any member of the medical, dental or midwifery staff other than the members of the Medical Staff appointed to the Board pursuant to the *Public Hospitals Act*;
  - (ii) Any employee other than the Chief Executive Officer or Chief Nursing Executive;

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<sup>4</sup> The definition of Disruptive Behaviour is taken from the CPSO "Physician Behaviour in the Professional Environment" Policy as modified by the italicized language which have been added to reflect the Jury's recommendations in Dupont.

- (iii) Any spouse or dependent child of an employee of the Corporation or member of the Professional Staff; and
- (iv) Any person who lives in the same household as a member of the medical, dental or midwifery, extended class nursing staff or an employee of the Corporation;
- (r) "ex-officio" means membership, election or appointment by virtue of the office and includes all rights, responsibilities and power to vote except where otherwise specifically provided in the Legislation, this By-Law or policies;
- (s) "Extended Class Nurse" means those registered nurses in the extended class to whom the Board has granted privileges to diagnose, prescribe for or treat out-patients in the Corporation;
- (t) "Head Office" means Lake of the Woods District Hospital, 21 Sylvan St. West, Kenora, Ontario P9N 3W7;
- (u) "Hospital Foundation" means the Lake of the Woods District Hospital Foundation;
- (v) "Hospital Site" means 21 Sylvan St. West, Kenora, Ontario;
- (w) "HSAA" means the Hospital Service Accountability Agreement entered into between the Corporation and the LHIN;
- (x) "Legislation" means relevant statutes and regulations that govern the provision of health care to patients of the Hospital, including without limitation the *Broader Public Sector Accountability Act*, 2010, the *Commitment to the Future of Medicare Act* (Ontario), the *Corporations Act* (Ontario), the *Child and Family Services Act* (Ontario), the *Dentistry Act* (Ontario), the *Excellent Care for All Act* (Ontario), the *Freedom of Information and Protection of Privacy Act* (Ontario), the *Health Care Consent Act* (Ontario), the *Health Insurance Act* (Ontario), the *Local Health System Integration Act* (Ontario), the *Medicine Act* (Ontario), the *Mental Health Act* (Ontario), the *Midwifery Act* (Ontario), the *Not-for-Profit Corporations Act* (Ontario), the *Nursing Act* (Ontario), the *Occupational Health and Safety Act* (Ontario), the *Personal Health Information Protection Act* (Ontario), the *Public Hospitals Act* (Ontario), the *Quality of Care Information Protection Act*, 2004 (Ontario), the *Regulated Health Professions Act* (Ontario), the *Substitute Decisions Act* (Ontario), the *Workplace Safety and Insurance Act* (Ontario) and;
- (y) "Letters Patent" means the Letters Patent of Continuation issued to the Corporation on January 15, 2010;
- (z) "LHIN" means a Local Health Integration Network;
- (aa) "Medical Staff" means the Physicians who have been appointed to the Medical Staff by the Board;

- (bb) "Medical Advisory Committee" means the committee established by the Board to discharge the responsibilities set out in the *Public Hospitals Act* (Ontario) and this By-Law;
- (cc) "Member" means member of the Corporation;
- (dd) "Midwife" means a midwife in good standing with the College of Midwives of Ontario;
- (ee) "MOHLTC" means the Ministry of Health and Long-Term Care of Ontario;
- (ff) "Patient" means, unless otherwise specified, any in-patient, out-patient or other patient of the Corporation;
- (gg) "Patient Safety Indicators" means the patient safety indicators identified by the MOHLTC as part of their patient safety agenda that hospitals are required to disclose publicly through their public websites or such other means as the MOHLTC may direct;
- (hh) "Performance Indicators" means the performance indicators set out in the HSAA;
- (ii) "Performance Metrics" means the Board approved organization performance metrics that provide a overview of the organization performance in achieving quality, workplace safety, financial and human resource targets;
- (jj) "Physician" means a medical practitioner in good standing with the College of Physicians & Surgeons of Ontario;
- (kk) "Privileges" mean those rights or entitlements conferred upon a Physician, Dentist, Midwife or Extended Class Nurse at the time of appointment or re-appointment;
- (ll) "Professional Staff" means those Physicians, Dentists, Midwives and Extended Class Nurses who are appointed by the Board and who are granted specific privileges to practise medicine, dentistry, or midwifery respectively or, with respect to Extended Class Nursing, the right to order diagnostic services for out-patients, in one or more of the Hospital Sites;
- (mm) "Special Resolution" means a resolution passed by the Directors and confirmed with or without variation by at least two-thirds (2/3) of the votes cast at a general meeting of the Members of the Corporation duly called for the purpose, or at an annual meeting, or in lieu of such confirmation, by consent in writing of all Members entitled to vote at such meeting.

## **1.02 Interpretation**

This By-Law shall be interpreted in accordance with the following unless the context otherwise specifies or requires:

- (a) All terms which are contained in this By-Law of the Corporation and which are defined in the *Act* or the *Public Hospitals Act* or the regulations made



thereunder, shall have the meanings given to such terms in the *Act* or *Public Hospitals Act* or the regulations thereunder.

- (b) The use of the singular number shall include the plural and vice versa, the use of any gender shall include the masculine, feminine and neuter genders.
- (c) The headings used in the By-Law are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.
- (d) Any references herein to any law, by-law, rule, regulation, order or act of any government, governmental body or other regulatory body shall be construed as a reference thereto as amended or re-enacted from time to time or as a reference to any successor thereto.
- (e) In the event of any conflict or inconsistency between the provisions of this By-Law and the provisions of the Act or the Legislation, or the Regulations thereunder, the provisions of the Act or the Legislation, or the Regulations thereunder, as the case may be, shall prevail.

### **1.03 Meeting Procedures**

- (a) Any Director, Member, Officer, or employee, as the context requires, and as is permitted by the By-laws or rules and policies of the Corporation, may participate in a meeting of the Board or of a committee of the Board by means of telephone conference or electronic or other communication facilities as permit all persons participating in the meeting to communicate adequately during the meeting<sup>5</sup> and a person participating in such a meeting by such means is deemed, for the purposes of the *Act* and this By-law, to be present at the meeting and is bound by all confidentiality and privacy rules as if present at the meeting. It is recognized that participating by telephone conference, electronic or other communication facilities is the exception and every effort must be made to attend and participate in meetings in person.
- (b) Subject to paragraph (a) above, business arising at any meeting of the Corporation, the Board or any Committee established pursuant to this By-Law, shall be decided by a majority of votes unless otherwise required by statute or by the rules of procedure selected by the Corporation for such meetings.
- (c) Voting shall take place as follows:
  - (i) Ex-Officio Directors shall not be entitled to vote at Board meetings. The ex-officio Directors' rights to vote at Board Committee meetings shall be as prescribed in the By-law or in policy.
  - (ii) Except as provided in this By-law, each Member, each Director and each Committee member shall be entitled to one (1) vote at any meeting of the Corporation, Board or Committee, respectively.

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<sup>5</sup> NFPCA S.53(4).

- (iii) In accordance with the *Public Hospitals Act*, no Member shall be entitled to vote by proxy at a meeting of the Corporation, all Members must attend annual and/or special meetings of the Corporation in person or via telephone or electronic means in order to be eligible to vote<sup>6</sup>;
- (iv) Elections of Directors and officers shall be by ballot.
- (v) Members shall not be entitled to cast a negative vote in respect of a motion to elect a Director or officer.
- (vi) Subject to clause (iv) above, votes shall be taken in the usual way, by show of hands, among all Members, Directors and Committee members present. Persons participating in a meeting pursuant to paragraph 1.03(a), shall be required to identify themselves and communicate their vote in a manner that meets the requirements of paragraph 1.03(a).
- (vii) Any person entitled to vote on the question may demand a poll thereon. A poll so required or demanded shall be taken in such manner as the chair of the meeting shall direct. A demand for a poll may be withdrawn at any time prior to the taking of the poll. Upon a poll, each individual present in person and entitled to vote at such meeting shall have one (1) vote.
- (viii) At a Members' meeting, in case of an equality of votes, either upon a show of hands or upon a poll, the chair of a meeting of the Corporation shall be entitled to an additional or casting vote. Similarly, at a meeting of the Board or any Committee established pursuant to this By-Law, the chair of such meeting shall be entitled to an additional or casting vote.
- (d) Minutes shall be kept for all meetings of the Corporation. The chair of the meeting shall approve the minutes.
- (e) The declaration of the Secretary or Chair that notice has been given pursuant to the By-law shall be sufficient and conclusive evidence of giving of such notice.
- (f) No error or omission in giving notice for a meeting of the Corporation, the Board, of any committee shall invalidate such meeting or invalidate or make void any proceedings taken or had at such meeting, and any Member, Director or committee member, as the case may be, may at any time waive notice of any such meeting and may ratify and approve any or all proceedings taken or had thereat.
- (g) Any questions of procedure at or for any meetings of the Corporation, of the Board, or of any committee that have not been provided for in this By-law or by the Act or by the Public Hospitals Act shall be determined by the chair of the meeting in accordance with Nathan's Company Meeting or such other rules of procedure adopted by resolution of the Board from time to time.

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<sup>6</sup> NFPCA s. 67(1).

## **ARTICLE 2.            MEMBERSHIP IN THE CORPORATION**

### **2.01    Members**

Members of the Corporation shall be, ex-officio, the Directors of the Corporation.

### **2.02    Termination or Discipline of Membership**

- (a) The interest of a Member in a Corporation is not transferable and lapses and ceases to exist<sup>7</sup>:
  - (i) upon the death, dissolution, resignation or termination of the Member or otherwise in accordance with this By-Law;
  - (ii) violating any provision of the Articles, By-Law, or written Policies of the Corporation;
  - (iii) carrying out any conduct which may be detrimental to the Corporation or for any other reason as determined by the Board in its sole and absolute discretion;
  - (iv) upon receipt of a Member's written resignation;
  - (v) in the event that the Member ceases to meet the qualifications set out for membership in this By-Law, such determination to be made in the absolute sole discretion of the Board; or
  - (vi) when the Member ceases to be a Director.
- (b) In the event that the Board determines that a Member should be expelled or suspended from membership in the Corporation, the Chair, or such other officer as may be designated by the Board, shall provide fifteen (15) days notice of suspension or termination to the Member and shall provide reasons for the proposed suspension or expulsion. The Member may make written submissions to the Chair, or such other officer as may be designated by the Board, in response to the notice received, within such fifteen (15) day period. In the event that no written submissions are received by the Chair, the Chair or such other officer as may be designated by the Board, may proceed to notify the Member that the Member is suspended or expelled from membership in the Corporation. If written submissions are received in accordance with this section, the Board will consider such submissions in arriving at a final decision and shall notify the Member concerning such final decision within a further fifteen (15) days from the date of receipt of the submissions<sup>8</sup>.

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<sup>7</sup> NFPCA s.51.

<sup>8</sup> NFPCA s.51(3).

- (c) A Member of the Corporation who claims to be aggrieved because they were disciplined or because their membership was terminated may apply to the court for an order that the court thinks fit<sup>9</sup>.

**ARTICLE 3. ANNUAL AND SPECIAL MEETINGS OF THE MEMBERS OF CORPORATION**

**3.01 Annual Meetings of the Members**

The annual meeting of Members shall be held at the Head Office of the Corporation or at any place in Ontario as the Board determines between April 1st and July 31st in each year on a date fixed by the Board.

**3.02 Business at Annual Meetings**

- (a) The business transacted at the annual meeting of the Corporation shall include:
- (i) Reading and/or the circulation of:
    - (A) minutes of the previous annual meeting;
    - (B) report of the unfinished business from any previous special or annual meeting of the Members of the Corporation;
    - (C) report of the Chair of the Board;
    - (D) report of the auditor including a presentation of the audited financial statements;
    - (E) report of the Chief Executive Officer;
    - (F) report of the Chief of Staff;
    - (G) election of Directors; and
    - (H) such other items of business as the Board may determine.
  - (ii) Appointment of the auditors to hold office until the next annual meeting.
- Any other items of business conducted at a meeting of the Members shall be deemed to be special business<sup>10</sup>.
- (b) No item of other business shall be considered at the annual meeting unless notice in writing of such item of special business has been given to the Secretary prior to the giving of notice of the annual meeting so that such item of special business can be included in the notice of annual meeting, provided that if the

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<sup>9</sup> NFPCA s.51(5).

<sup>10</sup> NFPCA s.55(7).

item of special business is requisitioned by the Members. The Members requisition must comply with section 3.02<sup>11</sup>.

### **3.03 Adjourned Meeting**

- (a) If, within one-half (1/2) hour after the time appointed for a meeting of the Corporation, a quorum is not present, the meeting shall stand adjourned.
- (b) At least three days' notice of the adjourned meeting shall be given in the same manner as that set out in section 3.05 below.

### **3.04 Special Meetings of the Members**

- (a) The Board or the Chair may call a special meeting of the Corporation.
- (b)
  - (i) Not less than one-tenth (1/10<sup>th</sup>) of the Members<sup>12</sup> entitled to vote at a meeting proposed to be held may, in writing, requisition the Directors to call a special meeting of the Members for any purpose connected with the affairs of the Corporation which are properly within the purview of the Members' role in the Corporation and which are not inconsistent with the *Act*, the By-Law or the Letters Patent.
  - (ii) The requisition shall be deposited at the Head Office of the Corporation and may consist of several documents in like forms signed by one or more requisitioners.
  - (iii) The notice of a special meeting shall specify the purpose or purposes for which it is called and shall include the text of the resolution<sup>13</sup>.
- (c) If the Directors, acting in their sole and absolute discretion, determine that:
  - (i) the requisition meets the qualifications set out in paragraph 3.02(b), the Directors shall call and hold such meeting within twenty-one (21) days from the date of the deposit of the requisition that met the one-tenth (1/10<sup>th</sup>) threshold requirement; or
  - (ii)
    - (A) the requisition does not meet the qualifications set out in paragraph 3.02(b)<sup>14</sup>; or
    - (B) the primary purpose of the requisition is to enforce a personal claim or redress a personal grievance against the Corporation or its Directors, officers, or Members; or

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<sup>11</sup> NFPCA s.55(7).

<sup>12</sup> NFPCA s.60(1).

<sup>13</sup> NFPCA s.55(8)(b).

<sup>14</sup> NFPCA s.56(6).

- (C) the requisition does not relate in a significant way to the activities or affairs of the Corporation; or
- (D) substantially the same requisition was submitted to Members in a notice of a meeting of the Members held not more than two (2) years before the receipt of the requisition and the requisition was defeated; or
- (E) the rights conferred by this section are being abused to secure publicity,

the Directors shall provide the requisitioning Members written notice of their determination not to call a meeting within twenty-one (21) days of the date calculated pursuant to clause (i) above.

- (d) Notice of a special meeting shall be given in the same manner as provided in section 3.05.
- (e) Subject to paragraph (c) above, if the Directors do not within twenty-one (21) days from the date of the deposit of the requisition call and hold such meeting, any of the requisitions may call such meeting as nearly as possible in the manner as is set out in this section 3.02<sup>15</sup>.

### **3.05 Notice**

- (a) Not less than ten (10) days' prior written notice and not more than fifty (50) days notice (prepaid mail, facsimile or e-mail) of an annual meeting shall be given to each Member.
- (b) In lieu of the written notice required under paragraph 3.05(a), it is sufficient notice of any annual or special meeting of Members if notice is given by publication at least once a week for two (2) successive weeks next preceding the meeting in a newspaper or newspapers circulated in the Catchment Area.

### **3.06 Financial Year End**

The financial year of the Corporation shall end on the 31<sup>st</sup> day of March in each year.

### **3.07 Omission of Notice**

No unintentional or technical error or omission in giving notice of a meeting of Members may invalidate resolutions passed or proceedings taken at the meeting. Any Member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all resolutions passed or proceedings taken at the meeting.

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<sup>15</sup> NFPCA s.60(5).

### **3.08 Voting**

- (a) At all annual or special meetings, voting shall be determined in accordance with the process set out in paragraph 1.03(c).
- (b) Notwithstanding any other provision contained in this By-Law, a Member shall not be entitled to cast a vote to elect Directors at an annual general meeting at which the Member's term of office is terminating.

### **3.09 Quorum**

A quorum for any meeting of the Corporation shall be the Members present at that meeting.

### **3.10 Chair of the Meeting**

- (a) The chair of a meeting of the Corporation shall be:
  - (i) the Chair of the Corporation; or
  - (ii) the Vice-Chair of the Corporation, if the Chair is absent or is unable to act; or
  - (iii) a chair elected by the Members present if the Chair and Vice-Chair are absent or are unable to act. The Secretary shall preside at the election of the chair, but if the Secretary is not present, the Directors, from those present, shall choose a Director to preside at the election; or
  - (iv) if no Director is present or if all the Directors present decline to take the chair, then the persons who are present and entitled to vote shall choose one of their number to be the chair.
- (b) In the event of a tie vote at a meeting of the Members, the chair shall be entitled to a second or casting vote in accordance with subsection 1.03(c).

### **3.11 Public Attendance**

The public may attend any meeting of the Members of the Corporation.

### **3.12 Written Resolutions**

A resolution signed by all the Members entitled to vote on that resolution at a meeting of the Members is as valid as if it had been passed at a meeting of the Member<sup>16</sup>.

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<sup>16</sup> NFPCA s.59(1).

## **ARTICLE 4. BOARD OF DIRECTORS**

### **4.01 Board Composition**

- (a) The affairs of the Corporation shall be managed by a Board of Directors consisting of fourteen (14) Directors, of whom nine (9) shall be elected Directors and five (5) shall be ex-officio or appointed Directors.
- (b) Ex-Officio Non-Voting Directors
  - (i) The Ex-Officio members of the Board are:
    - (A) Chief of Staff;
    - (B) President of the Professional Staff Association;
    - (C) Vice-President of the Professional Staff Association;
    - (D) the Chief Executive Officer; and
    - (E) the Chief Nursing Executive.
  - (ii) The Ex-Officio Directors:
    - (A) are non-voting members of the Board and the Board committees; and
    - (B) shall not count towards quorum.

### **4.02 Qualification of Directors**

- (a) Every Director shall be eighteen (18) or more years of age, a Canadian citizen and a resident of the Catchment Area;
- (b) A Member of good standing;
- (c) No Excluded Person shall be eligible for election or appointment to the Board of Directors except where otherwise provided in this By-Law;
- (d) No person who has the status of bankrupt shall be a Director.
- (e) No person who has been found under the *Substitute Decisions Act*, 1992 or under the *Mental Health Act* to be incapable of managing property shall be a Director.
- (f) No person who has been found to be incapable by any court in Canada or elsewhere shall be a Director.
- (g) Meet the skills, experience, and qualifications established from time to time by the Board of the Directors as more particularly described in Article 5.



#### **4.03 Term of Office Restrictions**

(a) Elected Directors

No person may serve as an elected Director for more terms than will constitute nine (9) consecutive or cumulative years of service; provided however, that following a break in the continuous service of at least one (1) year the same person may be eligible to serve as a Director.

(b) Ex-Officio Directors

The ex-officio Directors shall hold office until their successors are appointed in accordance with the By-Laws of the Corporation.

#### **4.04 Vacancy and Termination of Office**

(a) The office of an elected Director shall automatically be vacated:

- (i) if the Director at any time, fails to meet the qualifications set out in section 4.02; or
- (ii) if the Director, by notice in writing to the Corporation, resigns office, which resignation shall be effective at the time it is received by the Secretary of the Corporation or at the time specified in the notice, whichever is later; or
- (iii) if the Director's conduct is determined to be detrimental to the Corporation<sup>17</sup>; or
- (iv) if the Director dies.

(b) The office of an elected Director may be vacated by a simple majority resolution of the Members:

- (i) if a Director is in violation of Board attendance policy; or
- (ii) if a Director fails to comply<sup>18</sup> with the Legislation, the Board policies and procedures, including without limitation, the confidentiality and conflict of interest requirements.

(c) If a vacancy occurs at any time among the elected Directors either by a resignation, by death or removal by the Members in accordance with paragraph 4.04(b) above, or by any other cause, such vacancy may be filled by a qualified person appointed by the Board to serve until the next Annual General Meeting. Notwithstanding any other provision in this By-law, this partial term shall not count towards a Director's calculation of his or her maximum aggregate consecutive term of office.

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<sup>17</sup> NFPCA s.56(6).

<sup>18</sup> NFPCA s.43(2).

#### 4.05 **Conflict of Interest**

- (a) Every Director who, either directly or through one of his/her Associates, has or thinks he/she may potentially have an actual or perceived Conflict of Interest with respect to a proposed or current material<sup>19</sup> contract, transaction, matter or decision of the Corporation shall disclose the nature and extent of the Conflict of Interest at a meeting of the Board.
- (b) The declaration of interest shall be disclosed at the meeting of the Board at which the material contract, transaction, matter or decision is first raised.
- (c) If the Director (or his/her Associates) becomes interested in a material contract, transaction, matter or decision after the Board meeting at which it is first raised, the Director shall make a declaration at the next Board meeting following the Director's perception or apprehension of a Conflict of Interest.
- (d) In the case of an existing material contract, transaction, matter or decision the declaration shall be made at the first meeting of the Board after the Director becomes a Director or the interest comes into being.
- (e) All such declarations of interest (including the specific nature thereof) shall be recorded in the minutes of the meeting and in the minutes of every meeting at which the matter that is the subject of the declaration is addressed (either discussed or voted on). The Secretary/Treasurer of the Corporation shall maintain a list of all ongoing matters that are the subject of a Conflict of Interest declaration, together with the identity of the conflicted Director(s). Such list shall be referred to by the Secretary/Treasurer (or designate) when preparing board or committee packages, and any materials relating to a matter that is the subject of a Conflict of Interest declaration shall be omitted from the board or committee package of any conflicted Director.
- (f) After making such a declaration no interested Director shall vote or be present at the vote or during the discussions, or otherwise attempt to influence the voting on a material contract, transaction, matter or decision, nor shall the Director be counted in any required quorum with respect to the vote. The abstention of the conflicted Director from discussion and voting shall also be recorded in the minutes of each relevant meeting. The conflicted Director is not restricted from answering questions about or explaining the Director's involvement in the matter that is the subject of the declaration.
- (g) If a Director has made a declaration of Conflict of Interest in compliance with this By-Law the Director is not accountable to the Corporation for any profit he/she may realize from the material contract, transaction, matter or decision.
- (h) (i) A Director of the Hospital may have interests with stakeholders of the Hospital which may appear to be a Conflict of Interest. The Board recognizes that where the perceived conflicts related to non-profit stakeholders/partners that share common goals with the Hospital that the

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<sup>19</sup> NFPCA s.41(1).

benefits of having such members on the Board outweigh the potential difficulties relating to the perceived or actual Conflict of Interest.

- (ii) The benefits include:
  - (A) reflection of the operational reality of the inter-relationship that the Hospital has with key stakeholders/partners that is critical to the Hospital achieving its mission and vision; and
  - (B) increased capacity of the Board because it leads to fuller and more informed deliberation on issues that have cross-organizational implications.
- (iii) For reasons reviewed above, notwithstanding provision to the contrary contained in 4.05(a) of this By-Law, where a Director has an actual or perceived Conflict of Interest relating to a not-for-profit partner or stakeholder, the Director shall be entitled to be present at and take part in the deliberations with respect to the proposed matter, material contract or transaction or matter but shall not be entitled to vote.
- (i) If the Director fails to make a declaration of his/her interest in a material contract, transaction, matter or decision as required by this By-Law, this shall be considered grounds for termination of his/her position as a Director of the Corporation in addition to any other remedies available to the Corporation under statute or common law.
- (j) The failure of any Director to comply with the Conflict of Interest By-Law of the Corporation does not, in or of itself, invalidate any material contract, transaction, matter or decision undertaken by the Board of the Corporation.
- (k) If a Director believes that any other Director is in a Conflict of Interest position with respect to any material contract, transaction, matter or decision, the Director shall have the concern recorded in the minutes. The Director with the alleged Conflict of Interest shall have the right to address the Board with respect to the allegation and shall then absent himself/herself from the room. Thereafter, at the request of the Director who recorded the initial concern, the Board shall, after the Director alleged to have a conflict has absented himself from the room, vote on whether the Director alleged to have a Conflict of Interest is, in the opinion of the Board, in a Conflict of Interest. If the Board so finds the person in a Conflict of Interest, the Board member shall absent himself during any subsequent discussion or voting process relating to or pertaining to the conflict. The question of whether or not a Director has a Conflict of Interest shall be determined by a simple majority of the Board and shall be final.
- (l) If the Board finds that the person is not in conflict, the Board will then vote on the material contract, transaction, matter or decision and the votes of each Director shall be recorded.
- (m) Every declaration of a Conflict of Interest and the general nature thereof shall be recorded in the minutes by the Board.

- (n) Where the number of Directors who, by reason of the provisions of this section 4.05, are prohibited from participating in a meeting is such that at that meeting, the remaining Directors are not of sufficient number to constitute a quorum, then, notwithstanding any other provision in this By-Law, the remaining number of Directors shall be deemed to constitute a quorum, provided such number is not less than three.
- (o) Where in the circumstances mentioned in paragraph 4.05(l) above, the remaining number of Directors who are not prohibited from participating in the meeting is less than three, the Chief Executive Officer may apply to a judge on an ex parte basis for an order authorizing the Board to give consideration to, discuss and vote on the matter out of which the Conflict of Interest arises.
- (p) The judge may, on an application brought under paragraph 4.05(m) above, by order, declare that section 4.05 does not apply to the Board, as the case may be, in respect of the matter in relation to which the application is brought, and the Board thereupon may give consideration to, discuss and vote on the matter in the same manner as though none of the Directors had any interest therein, subject only to such conditions and directions as the judge may consider appropriate and so order.

#### **4.06 Confidentiality**

- (a) Every Director, officer and employee of the Corporation shall respect the confidentiality of matters brought before the Board, keeping in mind that unauthorized statements could adversely affect the interests of the Corporation.
- (b) The Board shall give authority to one or more Directors, officers or employees of the Corporation to make statements to the news media or public about matters brought before the Board.

#### **4.07 Responsibilities of the Board**

The Board shall be responsible for the governance and supervision of the management of the activities and affairs of the Corporation<sup>20</sup>. The Board's specific responsibilities and duties shall be set out in Board policy.

#### **4.08 Fiduciary Duty and Standard of Care of Individual Directors**

Each Director shall:

- (a) act honestly and in good faith and make decisions that are in the best interests of the Corporation<sup>21</sup> having regard to all relevant considerations, including but not confined to, considering the impact of the Board's decisions on affected stakeholders including the patients and communities served, the LHIN, the Government of Ontario, employees and staff. In instances where the interests of the stakeholders conflict with each other or with the Corporation, the Directors

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<sup>20</sup> NFPCA s.21.

<sup>21</sup> NFPCA s.43.

must act in the best interests of the Corporation commensurate with the Corporation's duties as a responsible, well-intentioned public hospital. The Legislation, the HSAA and the Corporation's objects, mission, vision and values shall be used to guide the Directors' decision as to whether a decision is in the best interests of the Corporation;

- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances; and
- (c) discharge such further and other duties as more particularly set out in policy.

#### **4.09 No Remuneration**

The Directors of the Corporation shall serve as such without remuneration and no Director shall directly or indirectly receive any profit from his or her position as such, provided that a Director may be paid reasonable expenses incurred by him or her in the performance of his or her duties as a Director. Provided further that members of the Medical Staff required to be elected or appointed Directors of the Corporation in accordance with the *Public Hospitals Act*, and Members of the Corporation may receive reasonable and proper remuneration and expenses, as approved by the Board or Executive Committee, for their services to the Corporation in any other capacity.

### **ARTICLE 5. GUIDELINES FOR NOMINATIONS OF DIRECTORS**

#### **5.01 Nominations to Board**

- (a) The Executive Committee will have responsibility for preparing an annual report to the Board with respect to Board vacancies and the Board's overall succession plan.
- (b) The report shall be submitted to the Nominating Committee and shall be used by it to guide its nomination process.
- (c) The Board will ensure that Board members serving on this committee are not due for re-election.
- (d) The recruitment process for Board members shall include a public advertisement in local Kenora media, as well as on the Corporation public web site.
- (e) The Nominating Committee shall, throughout the year, identify potential candidates for Directors and determine the willingness of such candidates to serve.
- (f) The Nominating Committee will prepare a list of recommended nominees for the Board. The list shall be accompanied by a signed application by each nominee that the nominee will serve as a Director in accordance with this By-Law if elected.
- (g) In developing the list of recommended nominees the Nominating Committee will interview each candidate recommended so as to ensure their skills and experience are consistent with the Board member role description and the governance needs of the organization.

- (h) The Board will receive and review the list of recommended nominations, together with applications. The guidelines for the nomination of Directors set out in Board policy should be considered by the Board in its determination of the appropriate candidates for election as a Director.
- (i) Notwithstanding the above process, any Member shall be entitled to nominate a person for election as a Director<sup>22</sup>.
- (j) The list of candidates selected by the Board for nomination as Directors shall be specifically identified in the list of nominees that are eligible to be elected as Directors by the Members of the Corporation.

## **ARTICLE 6. OFFICERS OF THE BOARD**

### **6.01 Officers**

- (a) The Board shall elect the following officers annually at the special meeting held immediately after the Annual General Meeting:
  - (i) the Chair;
  - (ii) Vice-Chair; and
- (b) The Chief Executive Officer shall be the Secretary/Treasurer of the Board;
- (c) Ex-Officio Directors are ineligible for election as Chair or Vice-Chair.

### **6.02 Duties of Chair**

The duties of the Chair of the Board shall include, without limitation, the following:

- (a) chair all meetings of the Board at which they are present;
- (b) be an ex-officio member of all committees of the Board;
- (c) be responsible for the naming of Directors and non-Directors to committees where membership has not otherwise been provided for in the By-laws or policies of the Corporation, with the consent of the Board;
- (d) report to each annual meeting of Members of the Corporation concerning the operations of the Corporation;
- (e) represent the Corporation at public and official functions; and
- (f) perform such other duties as may from time to time be determined by the Board or as set out in Board policy.

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<sup>22</sup> NFPCA (s.56(5)).

### **6.03 Duties of Vice-Chair**

The Vice-Chair of the Board shall have all the powers and perform all the duties of the Chair in the absence or disability of the Chair and any other duties assigned by the Board or as set out in Board policy.

### **6.04 Duties of Secretary/Treasurer**

The Secretary/Treasurer of the Corporation shall:

- (a) be the custodian of the books of account and accounting records of the Corporation required to be kept by the provisions of the Act;
- (b) attend all meetings of the Board and of Committees of the Board;
- (c) keep a record of the minutes of all meetings;
- (d) keep a roll of names and addresses of the members of the Board;
- (e) give such notice as required by the By-Laws of the Corporation relating to all meetings of the Corporation, the Board and its committees;
- (f) be the custodian of all minute books, documents and registers of the Corporation required to be kept by the provisions of the Act;
- (g) perform such other duties as the Board may direct or as set out in Board policy.

The Secretary/Treasurer may delegate to employees of the Corporation those duties that he/she considers appropriate to delegate and that he/she is allowed by law to delegate.

### **6.05 Duties of Chief Executive Officer**

- (a) The Chief Executive Officer shall be ex-officio and a non-voting member of the Board;
- (b) The Chief Executive Officer shall:
  - (i) be responsible to the Board for the general administration, organization and management of the clinical and administrative operations of the Corporation in accordance with policies established by the Board;
  - (ii) be responsible for the hiring, evaluation, compensation and termination of all members of the Corporation's senior executive team, including without limitation, the Chief Nursing Executive, and all other employees of the Corporation;
  - (iii) attend all meetings of the Board and act as Secretary/Treasurer to the Board;

- (iv) be responsible to the Board, for taking such action as the Chief Executive Officer considers necessary to ensure compliance with the Legislation and the By-Laws of the Corporation; and
- (v) have such other powers and duties as may from time to time be assigned to this office by the Board of Directors or as set out in Board policy or as are incident to this office.

#### **6.06 Duties of the Chief Nursing Executive**

- (a) The Chief Nursing Executive shall be Ex-Officio and a non-voting member of the Board.
- (b) The employment duties of the Chief Nursing Executive shall be as established by from time to time by the Chief Executive Officer.

#### **6.07 Protection of Directors and Officers**

Except as otherwise provided in the Act, no Director or officer of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or employee or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the monies of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or fortuitous act of any person including any person with whom or which any monies, securities or effects shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any monies, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of the Director's or officer's respective office or trust or in relation thereto unless the same shall happen by or through the Director's or officer's own willful neglect or default.

#### **6.08 Indemnification and Insurance<sup>23</sup>**

- (a) The Corporation shall indemnify the Directors and officers of the Corporation, the former Directors and officers of the Corporation and an individual who acts or acted at the Corporation's request as a Director and officer, or in a similar capacity, of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other action or proceeding in which the individual is involved because of that association with the Corporation or such other entity.
- (b) The Corporation shall advance money to the Director, officer or other individual referred to in paragraph 6.08(a) for the costs, charges and expenses of an action or proceeding referred to in that paragraph, but the individual shall repay the money if the individual does not fulfil the conditions set out in paragraph 6.08(c).

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<sup>23</sup>

NFPCA s.46(6).



- (c) The Corporation shall not indemnify an individual under paragraph 6.08(a) unless,
  - (i) the individual acted honestly and in good faith with a view to the best interests of the Corporation or other entity, as the case may be; and
  - (ii) if the matter is a criminal or administrative proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that his/her conduct was lawful.
- (d) The indemnity provided for in the preceding paragraph 6.08(a) shall not apply to any liability which a Director or officer of the Hospital may sustain or incur as the result of any act or omission as a member of the Professional Staff of the Hospital.
- (e) The Corporation shall purchase and maintain insurance for the benefit of an individual referred to in paragraph 6.08(a) against any liability incurred by the individual,
  - (i) in the individual's capacity as a Director or officer of the Corporation; or
  - (ii) in the individual's capacity as a Director or officer, or a similar capacity, of another entity, if the individual acts or acted in that capacity at the Corporation's request.

## **ARTICLE 7. REGULAR AND SPECIAL MEETINGS OF THE BOARD**

### **7.01 Regular Meetings**

- (a) The Board shall meet at such time, day and place as the Board may from time to time determine. The Secretary/Treasurer shall provide not less than seven (7) day's written notice of a regularly scheduled Board meeting to each Director. The notice may be delivered, mailed or e-mailed.
- (b) There shall be at least ten (10) regular meetings per annum.

### **7.02 Special Meetings**

- (a) The Chair or, in the absence of the Chair, the Vice-Chair of the Board may call special meetings of the Board.
- (b) The Secretary/Treasurer of the Board shall call a meeting of the Board if four (4) Directors so request in writing.
- (c) Notice of a special meeting of the Board shall specify the purpose of the meeting, shall be delivered, faxed, e-mailed or telephoned to each Director at least forty-eight (48) hours in advance of the meeting or shall be mailed to each Director at least five (5) days in advance of the meeting.

### **7.03 Procedures for Board Meetings**

- (a) The declaration of the Secretary/Treasurer or Chair that notice has been given pursuant to the By-Law, shall be sufficient and conclusive evidence of the giving of such notice.
- (b) No error or omission in giving notice for a meeting of Directors shall invalidate such meeting or invalidate any proceedings at such meeting and any Director may at any time waive notice of any such meeting and may ratify and approve any or all proceedings.
- (c) The public may attend the open meetings of the Board.
- (d) Minutes shall be kept for all meetings of the Board.
- (e) At all regular and special meetings of the Board, the voting shall be determined in accordance with the process set out in paragraph 1.03(c).

### **7.04 Voting**

- (a) Subject to paragraph 7.04(c) and section 7.06 below, at all regular and special meetings of the Board, voting shall be determined in accordance with the process set out in paragraph 1.03(c).
- (b) Despite any other provisions of this By-Law, any Director may at any time require that a vote be recorded. The request for a recorded vote does not require a motion and is not debatable or amendable.
- (c) A Director who is present at a meeting of the Directors or of a Committee of Directors is deemed to have consented to any resolution passed or action taken at the meeting, unless<sup>24</sup>,
  - (i) the Director's dissent is entered in the minutes of the meeting;
  - (ii) the Director requests that his/her dissent be entered in the minutes of the meeting;
  - (iii) the Director gives his/her dissent to the secretary of the meeting before the meeting is terminated; or
  - (iv) the Director submits his/her dissent immediately after the meeting is terminated to the Corporation.
- (d) A Director who was not present at a meeting at which a resolution was passed or action taken is deemed to have consented to the resolution or action unless within seven days after becoming aware of the resolution, the Director<sup>25</sup>,
  - (i) causes his/her dissent to be placed with the minutes of the meeting; or

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<sup>24</sup> NFPCA s.45(1).

<sup>25</sup> NFPCA s.45(3).

- (ii) submits his/her dissent to the Corporation.

#### **7.05 Quorum**

A quorum for any meeting of the Board shall be 50% plus one of the elected Directors. The Chair shall be included in the determination of a quorum.

#### **7.06 Written Resolutions**

A resolution, signed by all the Directors entitled to vote on that resolution at a meeting of Directors or of a committee of Directors is as valid as if it had been passed at a meeting of Directors or of a committee of Directors.<sup>26</sup>

### **ARTICLE 8. COMMITTEES**

#### **8.01 Board Committees**

- (a) Each year the Board shall appoint the following standing committees and its members and name the chair and vice-chair of each committee where necessary:
  - (i) Audit Committee;
  - (ii) Executive Committee;
  - (iii) Quality Committee;
  - (iv) Nominating Committee; and
  - (v) such other standing and special committees as the Board deems appropriate or as required by Legislation or regulation.
- (b) The Board may at any meeting appoint and prescribe the duties of any special committee and name the chair and vice-chair of each special committee.
- (c) The Board may by resolution dissolve any special committee at any time.
- (d) Meeting of the respective committees shall be held at the call of the respective committee's chair.
- (e) The quorum shall be a majority of voting Members of the Committee. Non-voting members shall not count towards quorum.
- (f) Board committee meetings shall be In-Camera unless a motion is made to open the meeting to the public. The Board's approved policy shall govern guests' rights to attend and participate in open meetings unless the committee has approved a specific committee attendance policy.

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<sup>26</sup>

NFPCA s.35(1).

## **8.02 Other Board Committees**

The Board may establish such other committees as necessary for effective governance as set out in the Board policies.

## **8.03 Committee Terms of Reference**

- (a) On an annual basis, the standing and special committees of the Board shall establish goals and objectives that are aligned with the Corporation's strategic plan and key corporate priorities.
- (b)
  - (i) The Board shall assign to the respective standing and ad hoc committees responsibility for the oversight of specified Performance Metrics.
  - (ii) The Committee's responsibility shall include reviewing and commenting on the appropriateness and quality of the Corporation's related quality and financial organization reporting and benchmarking including the methodology and data used for compilation of the data for the assigned Performance Metrics.
- (c) With the Board's consent, a committee may delegate a portion of its responsibilities to a subcommittee.
- (d) The Chair, committee chair and Chief Executive Officer shall identify the appropriate staff resources that are required to support the respective committees.
- (e) The terms of reference and performance of the standing and special committees of the Board shall be evaluated on a yearly basis.
- (f) The office of a committee member shall be vacated:
  - (i) where the Board, in its discretion, declares the committee member's seat vacant because the committee member is absent for three (3) consecutive meetings, or because the committee member is absent for one-third (1/3) or more of the meetings of the committee in any twelve (12) month period;
  - (ii) if the committee member at anytime fails to meet the qualifications set out in section 4.02;
  - (iii) if the committee member, by notice in writing to the committee chair, resigns office, which resignation shall be effective at the time it is received by the committee chair or at the time specified in the notice, whichever is later;
  - (iv) by resolution of the Board, if a committee member knowingly fails to comply with the Public Hospitals Act, the Act, the Corporation's Letters Patent, by-laws, rules, regulations, policies and procedures, including without limitation, the confidentiality, Conflict of Interest and standard of care requirements set out in this By-Law;

- (v) if a resolution is passed by the Board removing the committee member from that committee; or
- (vi) if the committee member dies.
- (g) The Board may appoint, for a term not to exceed one year, additional lay members to Board committees who are not Directors but who have the right to vote provided a majority of the committee members are Directors. The lay members may be re-appointed for successive one year terms.
- (h) No decision of a committee shall be binding on the Board until approved or ratified by the Board.
- (i) A quorum for any committee of the Board shall be forty percent (40%) of the members of the Committee entitled to vote.

#### **8.04 Medical Advisory Committee**

- (a) The terms of reference of the Medical Advisory Committee is set out in the Professional Staff By-Law.

### **ARTICLE 9. FINANCIAL**

#### **9.01 Bonding-Fidelity Insurance**

- (a) Directors, officers and employees, as the Board may designate, shall secure from a guarantee company a bond of fidelity of an amount approved by the Board.
- (b) At the discretion of the Board, the requirements of paragraph (a) above may be met by an alternative form of employee fidelity insurance such as, but not limited to, a blanket position bond, a commercial blanket bond, or a comprehensive dishonesty, disappearance and destruction policy.
- (c) The Corporation shall pay the expense of any fidelity bond or policy secured under paragraphs (a) or (b) above.

#### **9.02 Banking and Borrowing**

- (a) The Board shall by resolution, from time to time, designate the bank in which the bonds or other securities of the Corporation shall be placed for safekeeping.
- (b) The Board shall by resolution, from time to time, designate the signing officers of the Corporation, and they are hereby authorized for and in the name of the Corporation:
  - (i) to draw, accept, sign and make all or any bills of exchange, promissory notes, cheques, and orders for payment of money;
  - (ii) to receive and deposit all Corporation monies in the bank designated under paragraph 9.02(a) above, and give receipts for same;

- (iii) subject to the approval of the Board, to assign and transfer to the bank all or any stocks, bonds, or other securities;
- (iv) from time to time, to borrow money from the bank;
- (v) to transact with the said bank any business which they may think fit;
- (vi) to negotiate with, deposit with, endorse or transfer to the bank, but for the credit of the Corporation only, all or any bills of exchange, promissory notes, cheques, or orders for the payment of money and other negotiable paper;
- (vii) from time to time, to arrange, settle, balance, and certify all books and accounts between the Corporation and the bank designated by the Board under paragraph 9.02(a) above;
- (viii) to receive all paid cheques and vouchers; and
- (ix) to sign the bank's form of settlement of balance and release.

### **9.03 Signing Officers**

- (a) Subject to paragraph 9.03(b), two of, the Chair of the Board, the Vice Chair of the Board, the Chief Executive Officer, the Chief Financial Officer, shall sign on behalf of the Corporation and affix the corporate seal to all contracts, agreements, conveyances, mortgages and other documents, for which the Board approval is required.
- (b) Any two persons listed in paragraph 9.03(a) above shall be entitled to sign contracts or agreements which can be terminated with less than thirty (30) days notice or create binding obligations on the Corporation not in excess of an amount to be determined from time to time by resolution of the Board.

### **9.04 Seal**

The seal of the Corporation shall be in the form impressed hereon.

### **9.05 Investments**

The Hospital will be limited to the investments specified in its investment policy.

### **9.06 Endowment Benefits**

- (a) No benefit given in trust to or for the use of the Corporation for endowment purposes shall be hypothecated, transferred or assigned to obtain credit or to receive funds except in accordance with the Corporation's investment policy.
- (b) The Secretary/Treasurer shall keep copies of all testamentary documents and trust instruments by which benefits are given, bequeathed or devised to, or to the use of, the Corporation.

- (c) The Secretary/Treasurer shall give notice to the Office of the Public Guardian and Trustee, in accordance with the terms of the *Charities Accounting Act* (Ontario), of the benefits referred to in paragraph 9.06(b) which come into the control or possession of the Corporation.
- (d) The Corporation shall apply any trust funds of the Corporation only to the designated purpose(s) for which such funds were intended. Under no circumstances shall the Corporation transfer any funds held in trust by the Corporation to any other individual or entity, unless such transfer complies with all applicable law, including without limitation, the *Charities Accounting Act* (Ontario) and the *Trustee Act* (Ontario).
- (e) The Secretary/Treasurer shall at least semi-annually provide an accounting to the Board with respect to all funds held in trust by the Corporation.

#### **9.07 Auditor**

- (a) The Corporation shall at its annual meeting appoint an auditor who shall not be a member of the Board or an officer or employee of the Corporation or a partner or employee of any such person, and shall be duly licensed under the provisions of *The Public Accountancy Act* (Ontario), to hold office until the next annual meeting of the Corporation.
- (b) The Auditor shall have all the rights and Privileges as set out in the Act and shall perform the audit function as prescribed therein.
- (c) In addition to making the report at the annual meeting of the Corporation, the Auditor shall from time to time report through the Audit Committee to the Board on the audit work with any necessary recommendations.

### **ARTICLE 10. PROGRAMS**

#### **10.01 Occupational Health and Safety Program**

- (a) There shall be an occupational health and safety program for the Corporation, which shall be reviewed at least once a year (or more frequently if necessary) and revised in light of current knowledge and practice.
- (b) The program referred to in paragraph (a) above shall include practices/procedures with respect to:
  - (i) a safe and healthy work environment in the Corporation, including, without limitation, the prevention of Disruptive Behaviour;
  - (ii) the safe use of substances, equipment and medical devices in the Corporation;
  - (iii) safe and healthy work practices in the Corporation;
  - (iv) the prevention of accidents to persons on the premises of the Corporation; and

- (v) the elimination of undue risks and the minimizing of hazards inherent in the Corporation environment including the risks to staff relating to the Patient Safety Indicators.
- (c) The person designated by the Chief Executive Officer to be in charge of occupational health and safety in the Corporation shall be responsible to the Chief Executive Officer for the implementation of the occupational health and safety program.
- (d) The Chief Executive Officer shall report to the Board of Directors, as necessary, on matters in respect of the occupational health and safety program.
- (e) The Corporation shall, in consultation with the Joint Health and Safety Committee or health and safety representative (if any), develop, establish and provide training and educational programs in the relevant health and safety measures for employees and Professional Staff.

#### **10.02 Health Surveillance Program**

- (a) There shall be a health surveillance program for the Corporation.
- (b) The program referred to in paragraph (a) above shall:
  - (i) be in respect of all persons carrying on activities in the Corporation; and
  - (ii) include an infectious disease surveillance program which shall monitor and respond to the Patient Safety Indicators.

### **ARTICLE 11. VOLUNTARY ASSOCIATIONS**

#### **11.01 Authorization**

The Board may sponsor the formation of a voluntary association(s) as it deems advisable.

#### **11.02 Purpose**

Such associations shall be conducted with the advice of the Board for the general welfare and benefit of the Corporation and the patients treated in the Corporation.

#### **11.03 Control**

Each such association shall elect its own officers and formulate its own By-Laws, but at all times the By-Laws, objects and activities of each such association shall be subject to review and approval by the Board.

#### **11.04 Financial Statements**

Each unincorporated voluntary association shall have its financial affairs reviewed for the purposes of assuring reasonable internal control.



**ARTICLE 12.            ADOPTION AND AMENDMENT OF BY-LAWS**

**12.01   Amendments to By-Laws**

- (a) The Board may pass or amend the By-Laws of the Corporation from time to time.
  - (i) Where it is intended to pass or amend the By-Laws at a meeting of the Board, written notice of such intention shall be sent by the Secretary to each Director at his or her address as shown on the records of the Corporation by ordinary mail not less than ten (10) days before the meeting.
  - (ii) Where the notice of intention required by clause (i) above is not provided, any proposed By-Laws or amendments to the By-Laws may nevertheless be moved at the meeting and discussion and voting thereon adjourned to the next meeting, for which no notice of intention need be given.
- (b) Subject to paragraphs (d), (e) and (f) below, a By-Law or an amendment to a By-Law passed by the Board has full force and effect:
  - (i) from the time the motion is passed, or
  - (ii) from such future time as may be specified in the motion.
- (c) A By-Law or an amendment to a By-Law passed by the Board shall be presented for confirmation at the next annual meeting or to a special general meeting of the Members of the Corporation called for that purpose. The notice of such annual meeting or special general meeting shall refer to the By-Laws or amendment to be presented.
- (d) The Annual Members at the annual meeting or at a special general meeting may confirm the By-Laws as presented or reject or amend them, and if rejected they thereupon cease to have effect and if amended, they take effect as amended.
- (e) The Annual Members rights under clause (d) above are restricted to the changes proposed in the notice referred to in clause (c) above. No amendment is in order that increases the amendment or introduces new changes.
- (f) Any amendment to the By-Laws relating to an action requiring approval by Special Resolution, as defined by the Act, is not effective until it has been confirmed by at least two-thirds of the votes cast at a general meeting of Members duly called for considering it.
- (g) In any case of rejection, amendment, or refusal to approve the By-Laws or part of the By-Laws in force and effect in accordance with any part of this section, no act done or right acquired under any such By-Laws is prejudicially affected by any such rejection, amendment or refusal to approve.